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NUMBER 100-3-55**

**COMMUNIST REACTIONS TO CERTAIN
POSSIBLE US COURSES OF ACTION
WITH RESPECT TO THE ISLANDS
OFF THE COAST OF CHINA**

Submitted by the

DIRECTOR OF CENTRAL INTELLIGENCE

The following organizations participated in the preparation of this estimate: The Central Intelligence Agency and the Intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and The Joint Staff.

Concurred in by the

INTELLIGENCE ADVISORY COMMITTEE

on 25 January 1955. Concurring were the Special Assistant, Intelligence, Department of State; the Assistant Chief of Staff, G-2, Department of the Army; the Director of Naval Intelligence; the Director of Intelligence, USAF; and the Deputy Director for Intelligence, The Joint Staff. See, however, the footnotes taken by various members to specific paragraphs. The Atomic Energy Commission Representative to the IAC and the Assistant to the Director, Federal Bureau of Investigation, abstained, the subject being outside of their jurisdiction.

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NOTE

On 21 January 1955 the Director of Central Intelligence submitted to the National Security Council a Central Intelligence Agency memorandum entitled "Reactions to Certain Possible US Courses of Action with Respect to the Islands Off the Coast of China."

Subsequently, and after the President's message to the Congress of 24 January, the Intelligence Advisory Committee considered the Central Intelligence Agency memorandum and a coordinated estimate was prepared covering those paragraphs which had not been rendered moot by the adoption of the policy set forth in the President's message. Distribution of this estimate is being made to all recipients of the original memorandum so that they may have the benefit of the views of the entire intelligence community.

The offshore island situation will again be reviewed by the Intelligence Advisory Committee subsequent to action by the Congress and when it will be possible to reappraise this situation in the light of reactions to the policy set forth in the President's message and the actions taken thereunder.

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COMMUNIST REACTIONS TO CERTAIN POSSIBLE US COURSES OF ACTION WITH RESPECT TO THE ISLANDS OFF THE COAST OF CHINA

STATEMENT OF THE PROBLEM

To estimate Communist reactions to certain US courses of actions taken in accordance with the President's message to the Congress on 24 January 1955 and Joint Resolution 159¹ introduced in the House on 24 January 1955; specifically, Communist reactions to the following US courses of action: (a) the US to persuade the Chinese Nationalists to withdraw their forces from the offshore islands with the exception of the Quemoy and possibly Matsus and to assist this withdrawal with US armed forces; (b) the US to assist the Chinese Nationalists with US armed forces to defend the Quemoy and possibly the Matsus from Chinese Communist attacks, including appropriate military action against mainland forces and installations directly supporting Communist attacks, pending action by the UN to restore peace and security in the general area.

ASSUMPTION

Congressional approval of the President's request.

¹ Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, that the President of the United States be and he hereby is authorized to employ the Armed Forces of the United States as he deems necessary for the specific purpose of securing and protecting Formosa and the Pescadores against armed attack, this authority to include the securing and protection of such related positions and territories of that area now in friendly

hands and the taking of such other measures as he judges to be required or appropriate in assuring the defense of Formosa and the Pescadores.

This resolution shall expire when the President shall determine that the peace and security of the area is reasonably assured by international conditions created by action of the United Nations or otherwise, and shall so report to the Congress.

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ESTIMATE

Communist Reactions

1. The Chinese Communists will continue strongly to reiterate their contention that the status of the offshore islands, as well as Taiwan and the Pescadores, is a domestic matter, and will seek to propagandize international opinion against the US, stressing US intervention, aggressive intent, and desire to maintain tension in the Far East.² Simultaneously, the Communists will probably attempt to portray any Nationalist evacuation as a Communist victory, a demonstration of Nationalist weakness, and as evidence of the futility of US support. These propaganda themes will probably be reflected in Communist propaganda worldwide.

2. We believe it is unlikely that the Communists would deliberately attack US forces engaged in the evacuation of Nationalist garrisons, but the possibility of a serious incident cannot be excluded.

² Special Assistant, Intelligence, Department of State, believes that this paragraph, in addition to indicating how the Chinese Communists would attempt to exploit this action propaganda-wise, should also estimate how they would in fact interpret this course of action. The Special Assistant would therefore begin paragraph 1 with the following sentence: "The Chinese Communists, imbued with the suspicions that historically have characterized aggressors, will almost certainly view this action as further evidence of US hostility and aggressive intent against Communist China."

³ The Deputy Director for Intelligence, The Joint Staff, and the Director of Naval Intelligence, believe that this paragraph should read as follows: "The manner in which the posited US policy is being adopted, with full discussion in the Congress and prior Congressional acquiescence in the use of force in defending Taiwan, the Pescadores, and such offshore islands as were deemed necessary in the defense of Formosa, would seemingly remove from the minds of Communist leaders any doubts as to the consequences of aggression against these positions. Under these conditions, the Communists, although quickly seizing control of evacuated islands, would be unlikely to assault the positions remaining in Nationalist

3. We believe that even after Congressional approval the Communists will continue probing actions against major offshore islands to test US intentions. If the Communists were convinced that the US was determined to prevent the seizure of a particular island position even to the extent of attacking mainland targets or retaking any lost island positions, they would probably be deterred from attempting such seizure in the near future. However, they would probably continue probing and attempts to subvert the garrison. They would also continue efforts to discredit and isolate the US on the issue of the islands and on the over-all issue of Taiwan and the Pescadores.^{3 4}

4. The Communists will remain firm in their intention to take the offshore islands. Over the longer run, as their capabilities increase, and especially if world and US opinion appears unfavorable to strong US counteraction,

hands. They would almost certainly continue efforts to discredit and isolate the US on the over-all issue as well as concerning those offshore islands remaining in Nationalist hands. Over a long period of time, and depending upon the resolution with which the posited US policy was maintained, they might be tempted to put US intentions to test. For the short term, however, the risk of war in the Far East would have been decreased, not increased."

⁴ The Special Assistant, Intelligence, Department of State, and the Assistant Chief of Staff, G-2, Department of the Army, believe that paragraph 3 should read as follows: "The Chinese Communists would probably not take action that they believed would lead to full-scale war with the US, but they would be unlikely to believe that the seizure of any offshore island, even if the US has indicated it would defend the island, would lead to full-scale war. They would probably not be deterred by fear of a purely local involvement. If, therefore, the Chinese Communists estimated that they had the capability quickly to overrun any of the offshore islands, they would probably attempt to use that capability. In any event, they would probably continue probing action and attempts to subvert the garrison."

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the Communists will probably become increasingly impatient and less cautious in their actions. However, they would almost certainly refrain from actions that they believed would lead to full-scale war with the US, but the danger would remain that Pei'ping might miscalculate the extent of US reaction.^{5 6}

5. If US forces should launch major attacks against mainland targets, the Chinese Communists would probably counter with their full remaining capabilities against the attack-

ing forces and bases from which attacks were launched. If the US became involved in large-scale fighting with Communist China, Pei'ping would probably do all in its power to make the Sino-Soviet treaty operative. The USSR would almost certainly try to keep the hostilities under control but in the last analysis would give the Chinese Communists whatever local military support appeared necessary to preserve the Sino-Soviet alliance and prevent the destruction of the regime.⁷

⁵ The Deputy Director for Intelligence, The Joint Staff, believes that the last sentence should read as follows: "While they would probably refrain from action that they believed would lead to full-scale war, they might miscalculate the circumstances that would bring about US reaction. Should this occur, the nature and extent of this reaction would presumably be sufficiently vigorous to discourage early repetition of such a venture."

⁶ The Special Assistant, Intelligence, Department of State, and the Assistant Chief of Staff, G-2, Department of the Army, believe that, in spite of US guarantees and the threat of involvement in conflict with the US, the Chinese Communists sooner or later might take military action, not as a result of miscalculations, against Nationalist-held offshore islands, and would, therefore, rephrase the last sentence as follows: "They would not be likely to take actions that they were convinced would lead to full-scale war with the US. However, if they believed that they had the capability quickly to overrun one or more of

the defended islands, the Chinese Communists might well attempt to exercise their estimated capability."

⁷ The Deputy Director for Intelligence, The Joint Staff, would substitute the following after the first sentence: "It should be expected that Chinese Communist capabilities would be materially impaired in the course of the action that would ensue. Under these circumstances, the Chinese Communists would look to Moscow and the Sino-Soviet treaty as their remaining hope. Specific USSR reaction would be based upon sober Soviet judgment as to the probability of victory without crippling damage in general war with the US. The USSR does not now desire, nor feel that it could win, such general war. While the USSR might attempt to give the Chinese Communists local military support in order to prevent the destruction of the regime, such support would probably therefore be confined to increased logistic aid and to the commitment of naval, air, and air defense forces not readily identifiable as belonging to the USSR."

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